



# Inside Congress

*by United States Representative George R. Nethercutt, Jr.*

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**For the week ending May 10, 2002**

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Welcome to this week's edition of Inside Congress. I am glad to share with you a little of my work in the national legislature. Please follow the listed links or contact my office for more information on the topics mentioned here.

## **THE FARM BILL: GROWING STABILITY FOR FARMERS AND CONSUMERS**

After two years of meetings, hearings, and negotiations, the Farm Security and Rural Investment Act of 2002, known as "the Farm Bill," is finally going to become a reality. There have been many criticisms of the new legislation that sets farm policy for the next six years, but those complaints often miss the goal of the bill.

The purpose of this year's Farm Bill is to ensure the American people have access to a safe, affordable and stable food supply. This Farm Bill will cost the average American family about 3 cents per day, covering everything from conservation to rural development, research, payments to farmers, and even the school lunch program.

When farm commodity programs were first authorized in the early 1930s, most of the nation's six million farms were diversified and small by today's standards. Twenty-five percent of the nation's population lived on a farm. Today, that number has shrunk to just 2 percent of the population actively engaged in production agriculture.

Since the first Farm Bill, agriculture has undergone a significant transformation. Most of our domestic food supply is produced by fewer, larger and more specialized farm and livestock operations. Most of the nation's two million farmers are primarily part-time, where operators rely on off-farm earnings for much of their income.

With the traditionally low return on investment in the agricultural sector and high risk created by the uncertainty of the weather and markets, it is essential that the government protect its domestic food supply. Farm assistance payments, which only account for one-fourth of the agriculture budget, not only assist this low-margin industry fraught with risk, but also protect consumers from the risk of shortage and volatile costs of an uncertain food supply.

The 1996 Farm Bill was considered revolutionary because of the flexibility it afforded farmers. However, producers have told lawmakers that while they liked the new flexibility, more stability is needed for farmers to be successful.

This year's legislation increases the safety net for producers by including a fixed amount for disaster assistance to be spent over the next 10 years, rather than forcing farmers to wait on Congress to act every year through disaster payments. Unfortunately, agriculture disasters happen every year. This bill recognizes that fact and introduces greater predictability for farmers.

Opening more markets to U.S. products is essential to keeping the farm economy healthy. I fought for several years to lift sanctions on trade with Cuba, Iran, Libya, Sudan and North Korea. While that battle was won, I'm disappointed that the Farm Bill does not include a provision to allow private financing of agricultural sales to Cuba. Cuba, which has already agreed to buy \$3.5 million in Washington apples and dry peas, is estimated to be a \$1 billion market for U.S. agricultural products. I believe that our farmers would have the potential to reap larger sales to Cuba had private financing been allowed.

The new Farm Bill provides an 80 percent increase in spending for conservation programs, with significant increases going to the Environmental Quality Incentive Program (EQIP) to address ground water conservation issues, as well as the Wetlands Reserve Program (WRP), Wildlife Habitats Program (WHIP) and the Farmland Protection Program (FPP). Rural credit programs are authorized in the Farm Bill that enable rural communities to improve their water and sewer programs and enhance broadband and local television service, in addition to assistance for firefighter and emergency personnel training. Agriculture research is the backbone of our nutritious, stable food supply. This bill authorizes increased funding for research programs by \$80 million a year to help find ways to increase resistance to pests, disease and drought while also developing a healthier and more productive crop varieties for the growing world population.

Nutrition programs that benefit children, seniors and low-income citizens account for about 55 percent of total USDA spending. Nutrition program funding is increased \$6.4 billion in this year's Farm Bill to enhance many of the assistance programs available to children, seniors and others in need of help. The bill provides additional food to the school lunch program including a pilot program that will provide fresh fruits and vegetables free to schools.

We have learned from our experience with our energy supply that being in a position of relying on foreign markets for necessities can lead to great uncertainty and instability. This Farm Bill makes sure that American farmers and consumers don't face that same instability crisis with one of our most precious resources: our food supply.

## **BEWARE OF NEW SCHEME TO STEAL IDENTITY, FINANCIAL INFORMATION**

The IRS is alerting taxpayers of a fraudulent scheme that uses fictitious bank correspondence and fake IRS forms in an attempt to trick taxpayers into disclosing their

personal and banking data. The scam has surfaced in several states including Maine, New York, Georgia, North Carolina, Texas, California, and Washington. According to an IRS release, "[A] letter claiming to be from the taxpayer's bank states that the 'bank' is updating its records in order to exempt the taxpayer from reporting interest or having tax withheld on interest paid on his or her other bank accounts or other financial dealings." The so-called "bank" letter encloses a fake IRS form seeking detailed personal and financial data. The con artists then use this personal data to impersonate the taxpayer and gain access to their finances and accounts.

Taxpayers should report possible identity theft matters to the Treasury Inspector General for Tax Administration on their toll-free fraud hotline at 1-800-366-4484.

## **HOUSE LEGISLATION STALLED IN THE SENATE**

Right now there are 50 bills that have been passed by the House awaiting action by the Senate, including eight bills related to anti-terror efforts, national security, diplomacy and foreign aid. Three of the bills are related to trade, and six are in regard to the environment. Eight of the bills would increase consumer protections. Another seven bills, including four economic stimulus measures, are also delayed. You can read more about which legislation is stalled in the Senate on my Web site at: [www.house.gov/nethercutt](http://www.house.gov/nethercutt).

Legislation isn't the only work being held up in the Senate. Of President Bush's first 11 judicial nominees, only three have even received hearings by the Senate Judiciary Committee, and the eight remaining nominees have now waited a full year for hearings. All of these judges have strong bipartisan support and are rated "qualified" or "well-qualified" by the American Bar Association. In addition, President Bush's circuit court nominees only have a confirmation rate of 30 percent, less than half the rate of confirmation for President Clinton's nominees in the first two years of his term.

## **LEGISLATION**

This week I became a cosponsor of H.R. 4073, introduced by Rep. Chris Smith of New Jersey, to authorize an increase in funding from \$155 million in Fiscal Year 2002 to \$200 million in Fiscal Year 2004 for microenterprise loans. These small business loans, often in the amount of \$100, promote opportunity and free enterprise, and offer an effective and permanent solution to problems of poverty overseas. Unlike some other aid programs, microenterprise loans have a proven and demonstrable effect, and have very high repayment rates.

## **ON THE FLOOR**

Here is a recap of the legislative activity for the week:

## **H.J. Res. 84 -- Disapproving the President's Actions Regarding Steel Imports**

H.J.Res. 84 states that Congress disapproves the action taken by the President under section 203 of the Trade Act of 1974 regarding steel imports, which was transmitted to Congress on March 5, 2002. The effect of the resolution is to enact instead the remedy recommendations of the International Trade Commission transmitted to the President on December 19, 2001. This disapproval of tariffs on foreign steel was tabled.

**H.J.Res. 87 -- Yucca Mountain Repository Site Approval Act.** The bill passed by a vote of 306-117. I voted yes.

H.J.Res. 87 approves the site at Yucca Mountain, Nevada, for the development of a repository for the disposal of high-level radioactive waste and spent nuclear fuel, in accordance with procedures under section 115 of the Nuclear Waste Policy Act of 1982.

This vote is important to Washington State, because if nuclear waste is not relocated at Yucca Mountain, Hanford could be considered as an alternative site. If the Senate passes this bill, 42,000 metric tons of spent nuclear fuel will be removed from Hanford. Storing waste at Yucca Mountain will be safer than having it scattered in locations across the country. Our nuclear waste will now be consolidated from widely dispersed, above-ground sites into a remote, deep underground location that can be better protected.

**H.R. 4546 -- National Defense Authorization Act for Fiscal Year 2003.** The bill passed by a vote of 359-58. I did not vote because I was en route to my daughter's college graduation Friday morning.

H.R. 4546 authorizes appropriations for the Department of Defense for FY 2003 for: (1) armed forces procurement, including aircraft, missiles, weapons and tracked combat vehicles, ammunition, shipbuilding and conversion, and chemical agents and munitions destruction; (2) research, development, test and evaluation; (3) operation and maintenance, including defense working capital funds; and (4) active and reserve military personnel, including authorized end strengths.

The measure emphasizes programs that will make America a safer place by improving our defenses against terrorists, rogue nations, and chemical, biological, and nuclear weapons. The September 11 attacks proved that those who wish to harm the United States are willing to use any means to attack America's financial, military, and political centers. As a result, eliminating vulnerabilities to terrorist attacks is a top national priority, for which continued support is critical to prevent terrorists from successfully striking the homeland again. Important provisions in the bill include:

- \$7.3 billion for programs to combat terrorism.

- Provides a 4.1 percent military pay raise, with larger pay increases for mid-grade and senior noncommissioned officers and mid-grade officers (effective January 1, 2003).
- Eliminates current law provisions that cause military retirees who are eligible for veteran's disability compensation to have their retirement pay reduced. The bill establishes a payment transition program to compensate retirees who are 60 percent or greater disabled until FY 2007, when all such retirees will receive their full retirement and disability compensation.

### **CONTACT INFORMATION:**

I always enjoy hearing from you. Please feel free to contact me if I can be of assistance to you in any matter. Here are some of the ways you may reach me, especially if you know of others who may want to receive this report each week:

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